



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

JUL 16 1976



Mr. Cleon B. Feight, Director  
Division of Oil, Gas, and Mining  
Department of Natural Resources  
1588 West North Temple  
Salt Lake City, Utah 84116

Dear Mr. Feight:

This refers to your letter of June 28, 1976 to Mr. Ross Scarano of my staff regarding the Atlas Corporation uranium mill at Moab, Utah. Your letter concerned requirements for eventual reclamation of the site and mill tailings and subsequent monitoring and maintenance.

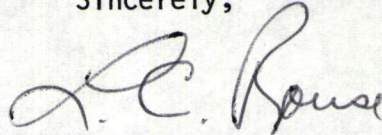
We had been made aware of the discussions between your division and the Atlas Corporation by a recent letter from a Mr. Dolan, counsel representing the firm, who described the proposed arrangement essentially as you have in your letter. Your copy of our response to Mr. Dolan is enclosed. As indicated in our letter to Mr. Dolan, we find the reclamation plan acceptable with certain noted conditions.

As also noted in our letter to Mr. Dolan, the Nuclear Regulatory Commission (NRC) is initiating the preparation of a generic environmental impact statement (GEIS) on uranium milling. It is anticipated that completion of this effort will require approximately two years. We will, of course, be in contact with your Division as we progress in preparation of the GEIS to obtain your comments and recommendations. As stated in the letter to Mr. Dolan, NRC renewal licensing actions during this period will be subject to express conditions that waste generating processes and mill tailings management practices may be subject to revision as a result of the GEIS and any related rule making.

We understand that you also have been in contact with Rio Algom Corporation regarding its Humeca Uranium Mill. An agreement with your Division on the surety bond, as described in our Final Environmental Impact Statement which you have reviewed, would enable us to complete the licensing action for the Rio Algom mill. Accordingly, we have requested management of Rio Algom to proceed with the negotiations with your Division as rapidly as possible. If we can be of any further assistance in this regard, please let us know.

We are prepared to work closely with the State of Utah through your Division in these matters regarding reclamation plans and related requirements for these uranium milling operations. Please contact me if you have any questions. My telephone number is 301-492-7427.

Sincerely,

A handwritten signature in dark ink, appearing to read "L. C. Rouse". The signature is fluid and cursive, with the first name "L. C." and the last name "Rouse" clearly distinguishable.

L. C. Rouse, Chief  
Fuel Processing & Fabrication Branch  
Division of Fuel Cycle and  
Material Safety

Enclosure:  
As stated